

Minutes
Commonwealth Competition Council
Tuesday, January 10, 2006, 10 a.m.
General Assembly Building,
4 East Conference Room
Richmond

Members present: Senator Emmett W. Hanger, Jr., Chairman
Senator J. Brandon Bell, II
Secretary Sandra D. Bowen
Beverly B. Davis
Lana Ingram Digges
Barry R. Green
Roger E. Ortega, Sr.
Mariam M. Pegram
David A. Von Moll
Sara Redding Wilson
David M. Zobel

Members absent: Delegate Allen L. Louderback
Edgardo Marquez
Delegate Thomas D. Rust
Ronald V. Shickle

Notice of the meeting appeared on the Commonwealth Calendar on the Internet. A quorum was present.

Senator Hanger presided over the meeting and extended a welcome to all present. K. Michael Shook and Lillian E. Peters of the Department of Planning and Budget were introduced as temporary staff filling in for Peggy Robertson.

Public Comment

None

Minutes

The minutes of the August 24, 2005 meeting and the minutes of the October 11, 2005 meeting of the Council were approved as distributed.

In addition, draft minutes appear on the Internet as soon as possible but not later than ten working days following the meeting in accordance with § 2.2-3707.1 of the Code of Virginia. Final approved minutes are posted within three working days of final approval. Commonwealth Competition Council

minutes are being posted in accordance with the above to the Council web page at <http://www.egovcompetition.com>.

PPEA (Public-Private Education Facilities and Infrastructure Act – 2002)

Secretary of Administration Sandra D. Bowen presented an update on the activities undertaken and the progress achieved to date under the PPEA legislation. The Commonwealth and private sector partners have begun a multi-year process to reengineer a number of activities common to all state agencies.

The state is currently spending over \$300 million annually on numerous systems that are not interconnected and can't communicate with one another. The goals of the partnership between the Commonwealth and its private sector partner, CGI-AMS, are to restructure business processes to achieve efficiency, effectiveness, cost management and interconnectedness. The project has been designed as a three-part, seven year effort costing \$300 million.

Two of the first re-engineered processes are the state's purchasing activities, eVA, and the overhaul of the Department of Taxation. Other processes to be examined include financial systems, human resources, and administration. The Council on Virginia's Future will track and monitor progress.

Council members expressed concerns that the new systems implemented as part of this project be able to be updated and upgraded so as to avoid obsolesces. Such design considerations have been incorporated into the contract of work.

Infrastructure Partnership

Lemuel C. Stewart, Chief Information Officer of the Commonwealth, reported on the infrastructure partnership between the Commonwealth and Northrop Grumman to, over the next three years, design and implement a 21st century information technology infrastructure for the state. Northrop Grumman is an experienced systems integrator and the largest technology/manufacturing private employers in Virginia.

The partnership represents a \$272 million capital investment to provide a reliable and agile hardware structure with a three-year refresh cycle. Other highlights of the partnership include enterprise-wide security, a single point of contact for help and service, and an enterprise-wide voice and data network. In addition three new facilities are proposed:

- a primary data center in Chesterfield County,
- a back-up data center in Russell County, and
- a project support center in Dinwiddie County.

Employees of the Virginia Information Technology Agency will receive employment offers from Northrop Grumman with comparable salary and benefits packages. Employees will have a choice of accepting the offer or remaining Commonwealth employees.

Future Council Direction

Chairman Hanger suggested that the next meeting of the Council in April be a retreat or brain storming session to discuss and set the direction for the coming year. The Council can decide how it wishes to function – as a think tank generating ideas for exploration or as a body developing a legislative package. Several ideas for future consideration were presented:

- privatization of the sale/auction of surplus VDOT equipment,
- energy management efficiencies through steam generation of recyclable material, and
- oversight of PPEA projects.

Also, the Council could discuss how to follow-up on presentations and how to generate further action on topics of interest.

It was suggested that the agencies be contacted and solicited for ideas for the possible privatization of current agencies activities. With new Cabinet Secretaries and agency heads just coming on board now, it was decided to wait until the new administration had settled in before pursuing contact.

The next meeting of the Council is scheduled for April 26, 2006.

Respectfully submitted,
Lillian Peters
Department of Planning & Budget